

MULTIMEDIA



UNIVERSITY

STUDENT IDENTIFICATION NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2016/2017

BOB2614 - ORGANISATIONAL BEHAVIOUR

(All Sections/Groups)

6 MARCH 2017

9.00 a.m – 12.00 p.m

(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This Questions paper consists of 3 pages with **TWO** sections (excluding cover page).
2. Answer **ALL** questions in **Sections A and B**. The marks for each Section are given in the question paper.
3. Please write your answers in the Answer Booklet.

SECTION A (40 marks): Case Study. Answer ALL questions.**Consolidated Products**

Consolidated Products is a medium-sized manufacturer of consumer products with nonunionized production workers. Ben Samuels was a plant manager for Consolidated Products for 10 years, and he was very well liked by the employees there. They were grateful for the fitness center he built for employees, and they enjoyed the social activities sponsored by the plant several times a year, including company picnics and holiday parties. He knew most of the workers by name, and he spent part of each day walking around the plant to visit them and ask about their families or hobbies.

Ben believed that it was important to treat employees properly so they would have a sense of loyalty to the company. He tried to avoid any layoffs when production demand was slack, figuring that the company could not afford to lose skilled workers that are so difficult to replace. The workers knew that if they had a special problem, Ben would try to help them. For example, when someone was injured but wanted to continue working, Ben found another job in the plant that the person could do despite having a disability. Ben believed that if you treat people right, they will do a good job for you without close supervision. Ben applied the same principle to his supervisors, and he mostly left them alone to run their departments as they saw fit. He did not set objectives and standards for the plant, and he never asked the supervisor to develop plans for improving productivity and product quality.

Under Ben, the plant had the lowest turnover among the company's five plants, but the second worst record for costs and production levels. When the company was acquired by another firm, Ben was asked to take early retirement, and Phil Jones was brought in to replace him.

Phil had a growing reputation as a manager who could get things done, and he quickly began making changes. Costs were cut by trimming a number of activities such as the fitness center at the plant, company picnics and parties, and the human relations training programs for supervisors. Phil believed that human relations training was a waste of time, if employees don't want to do the work, get rid of them and find somebody else who does.

Supervisors were instructed to establish high performance standards for their departments and insist that people achieve them. A computer monitoring system was introduced so that the output of each worker could be checked closely against the standards. Phil told his supervisors to give any worker who had substandard performance one warning, and then if performance did not improve within two weeks, to fire the person. Phil believed that workers don't respect a supervisor who is weak and passive. When Phil observed a worker wasting time or making a mistake, he would reprimand the person right on the spot to set an example.

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Phil also checked closely on the performance of his supervisors. Demanding objectives were set for each department, and weekly meetings were held with each supervisor to review department performance. Finally, Phil insisted that supervisors check with him first before taking any significant actions that deviated from established plans and policies.

As another cost-cutting move, Phil reduced the frequency of equipment maintenance, which requires machines to be idled when they could be productive. Since the machines had a good record of reliable operation, Phil believed that the current maintenance schedule was excessive and was cutting into production. Finally, when business was slow for one of the product lines, Phil laid off workers rather than finding something else for them to do.

By the end of Phil's first year as plant manager, production costs were reduced by 20 percent and production output was up by 10 percent. However, three of his seven supervisors left to take other jobs, and turnover was also high among the machine operators. Some of the turnover was due to workers that were fired, but competent machine operators were also quitting, and it was becoming increasingly difficult to find any replacements for them. Finally, there was increasing talk of unionizing among the workers.

Source: R. L. Daft (2008) *The Leadership Experience*. 4th Edition. South-Western Cengage Learning pp. 58-59

Questions

1. Compare the leadership traits and behaviors of Ben Samuels and Phil Jones.
(15 marks)
2. Which leader do you think is more effective? Why?
(15 marks)
3. Which leader would you prefer to work for? Why?
(10 marks)

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SECTION B (60 marks): Answer ALL questions.**QUESTION 1**

Communication serves five major functions within a group or organization. Describe these functions.

(20 marks)

QUESTION 2

Negotiation is a process in which two or more parties exchange goods or services and attempt to agree upon the exchange rate for them. There are two general approaches to negotiation - distributive bargaining and integrative bargaining. Discuss the differences between distributive bargaining and integrative bargaining.

(20 marks)

QUESTION 3

a) Describe the seven primary characteristics that capture the essence of an organization's culture.

(14 marks)

b) An organization's culture does not pop out of thin air, and once established it rarely fades away. How was culture created? Explain.

(6 marks)

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